Medical Care Advisory Committee

Minutes of June 15, 2016

Participants

Committee Members Present

Russ Elbel (Chair), Andrew Riggle (Vice-Chair), Jason Stevenson (Standing in for RyLee Curtis), Debra Mair, Kevin Burt, Adam Cohen, Steven Mickelson, Mark Ward, Jonathan George, Jackie Rendo, Mark Ward, Nate Checketts.

Committee Members Excused

Jenifer Lloyd, Pete Ziegler, Tina Persels, Mark Brasher

Committee Members Absent

Jason Horgesheimer, Sara Carbajal-Salisbury, Donna Singer

Guests

Jessie Mandle, Voice of Utah Children, Nan Rodriguez, Utah Association Homecare, Gary Staples, Aspen Service Center, Clayson Lyman, Aspen Senior Center, Krisann Bacon, BCRP, Randy Sandwood, Acumen, Laura Holman, AUCH, Alex Cragun, Joyce Dilcourt, LCPD, Kris Fawson, USILC

Welcome

Russ Elbel called the meeting to order at 4:12 p.m. Russ welcomed members and guests and proceeded to the Public Hearing allotting 85 minutes for comments.

Public Hearing

Gerald Nebeker – Acumen

Gerald provided a handout to the committee and audience members illustrating concerns with the rate paid for Financial Management Services for individuals receiving service on the state's home and community-based waiver programs. Financial Management Services are used to help individuals manage their own employees and have experienced increased operational costs in recent years in addition to new regulatory requirements.

Jeff Merchant – Beehive Homes

Jeff spoke about the current reimbursement for assisted living services through the New Choices Waiver program. He mentioned that rates have not been adjusted since 2007 and recommended separated the current 2 levels of service into 3 tiers in order to bill Assisted Living Level 1, Level 2 and Memory Care separately. He advocated for a rate increase to $80.50/day for Level 1, $90.00/day for Level 2, and $100.00/day for Memory Care.

Gary Staples – Aspen Senior Care/Aspen Senior Center

Gary provided handouts to the committee and audience illustrating the need for enhanced funding for Adult Day Health centers. On the Aging Waiver and New Choices Waiver, there has not been a rate adjustment in many years, reducing the number of available providers when there are many beneficial

outcomes for individuals who receive the service. Adult Day Health offers many socialization benefits in addition to providing caregiver assistance as participants have their needs met during the day. Gary advocated for a rate of $55/day to assist in covering increased costs as well as hopefully increasing the number of providers willing to serve the waiver programs.

Clayson Lyman – Constituent

Clayson spoke as well to the benefit he and his wife have received by attending the Adult Day Health programs offered by Aspen Senior Care. Mr. Lyman's wife was a regular attendee of the program and attested it greatly improved their lives and advocated as well for an increase in funding to adjust payment rates.

Danny Harris – AARP

Danny provided a handout to the committee outlining items for consideration.

The first item was to further Medicaid Expansion by covering all individuals in the coverage gap. While acknowledging the estimated 11,000 individuals who will receive services, he commented that there are many more low-income Utahns still not able to receive affordable health insurance when they do not qualify for a premium tax credit.

Second was a recommendation to study the remaining individuals in the coverage gap. Understanding the demographics of those who may not receive coverage and estimated costs to provide coverage will enable policymakers to make informed decisions in future years if additional expansion was pursued.

Lastly was a recommendation to reinstate dental benefits for the Medicaid population.

Jason Stevenson – Utah Health Policy Project

Jason spoke on behalf of UHPP and also provided a handout with items for consideration.

Similar to the recommendations from AARP, UHPP is recommending the state pursue full Medicaid Expansion, the reinstatement of dental benefits for Medicaid recipients and analyzing the remaining individuals in Utah who will continue to be in the coverage gap.

In addition he also recommended that the state look to create cost estimates for reimbursable services for community health workers. Peer supports may be reimbursed through Medicaid and could be an opportunity to reduce cost.

During the 2016 session money was appropriated for the purpose of conducting outreach for Medicaid and CHIP. UHPP's recommendation is that additional funds be provided in order to target child groups and especially Hispanic children as they are frequently not receiving coverage although eligible for Medicaid.

UHPP also recommends that the state adopt 12-month continuous eligibility for children. While cost estimates are currently being generated, the benefits to families and children of having guaranteed coverage for their review period outweigh the costs.

Lastly, UHPP recommends that Utah apply for a family planning waiver for individuals below 133% of FPL so that treatment/counseling/testing/contraceptives may be made available. These benefits have the potential to receive enhanced Federal funding.

Jessie Mandle – Voices for Utah Children

Jessie provided a handout to the committee and audience and also advocated for 12-month continuous eligibility for children, additional outreach funding, full Medicaid expansion and for an analysis of the individuals who remain in the coverage gap as previous speakers discussed.

In addition, Voices for Utah Children also advocated for policy changes to also allow pregnant women with lawful permanent resident status to be exempt from the 5-year bar for Medicaid services.

Jessie also discussed the possibility of adding/expanding quality measures to include the percentage of Medicaid and CHIP children who receiving an age-appropriate developmental screening using standardized screening tools. This service is already covered, but monitoring and advocating for the use of the assessments would help in early diagnosis. In addition, increased advocacy for maternal depression screenings (also already covered) would help promote better parent/child well-being.

Randy Swartwood – At Home Health, Hospice & Personal Care

Randy addressed the committee as a current provider of Medicaid home health services in the state. For the last 11 years he has grown his company from starting out on his own to approximately 65 employees and they are serving anywhere between 130-140 people, about two-thirds of which are individuals on Medicaid.

He expressed some concerns with how significantly the costs of doing business in the state have increased, especially in the last year or two. Labor costs alone have increased approximately 8% as low-unemployment in the state is increasing pressure on wage rates and it costs significantly more to hire and retain talented workers. In addition, regulatory changes such as the Department of Labor's Home Care rule have changed FLSA and overtime requirements, driving costs up further. The 'ebb and flow' of needed home health hours do often necessitate individuals to work more than 40 hours per week, then requiring the payment of overtime for his staff. ACA requirements for employers to provide health coverage have also impacted the ability to be profitable.

Currently there is a significant disparity between private pay rates and Medicaid where private/other insurance is reimbursing between $25-27/hr. and Medicaid reimburses at just under $20/hr. In order to help cover rising costs and help with staff turnover, Randy recommended an 8% increase to existing rates.

Nan Rodriguez – Intermountain Homecare and Hospice

Nan spoke as well to current concerns related to the reimbursement for home health services. She described that it is becoming more and more difficult to accept Medicaid patients and also recommended the same 8% increase to home health service rates for aide visits.

Dennis Toland – Beehive Homes

Dennis addressed the committee and audience and supported the information shared by Jeff Merchant. He elaborated to say that the New Choices Waiver requires an individual to meeting nursing facility level of care and that the typical daily rate for nursing facility care is $165/day. Assisted Living services therefore have become a significant cost-saving mechanism for the program, however it is becoming difficult for providers to accept the low reimbursement Medicaid offers. Many providers have had to monitor the ratios they can maintain of private pay vs. Medicaid in order to ensure they can remain profitable.

Dennis went on to say he supports the 3 tier payment system recommended previously, in addition to the increases in reimbursement.

Chris Julian – Brightwork

Chris addressed the committee and also provided support for the increase to adult day care reimbursement rates as well as the 3-tiered payment approach for assisted living services.

Adult Day Care has the ability to mitigate/reduce or delay increased cost in health care. Allowing individuals to be more active, especially with additional socialization, has been shown to delay Alzheimer's and dementia. Significant cost savings are likely to be realized should additional advocacy and funding be received for these services.

Joyce Dolcourt – Legislative Coalition for People with Disabilities

Joyce advocated for the restoration in eyeglass/eyecare benefits through the Medicaid program. This benefit leads to increases in quality of life as well as health and safety improvements.

In addition, support was given to provide funding for SB39 which was passed, but with insufficient funding. Adult dental care offers substantial benefit and the mechanism is now available, but the funds need to be allocated.

David Strong – Utah Health Care Association

David works with Harmony Home Health and described similar issues with home health reimbursement. Rates have not been adjusted in over 10 years – in 2006 approximately 80-82% of reimbursement was directed toward cost, while 91% of reimbursement today is. This equated to a 3-4% profit in 2006 and they are now operating at a loss.

Both Medicaid regulation and other Federal requirements were cited as reasons for the increase in cost along with current conditions of the labor market. For these reasons, a 10% increase to private duty nursing and home health was requested.

Dennis Strong – Harmony Home Health

In addition to the information provided by David, Dennis also described the impact of working with the managed care plans, where a portion of the reimbursement rate was retained by the plans, making margins even tighter.

Andrew Riggle – Disability Law Center

Andrew provided recommendations that are also likely to be acknowledged at the Department of Human Services, but also believes the MCAC should consider.

The Division of Services for People with Disabilities recently had the second year of a three year plan to increase direct service salaries pass and advocated for support for the third year also being funded. He also described the need to increase reimbursement for non-medical transportation for the state's home and community-based waiver programs as the Settings Transition rule places a lot of emphasis on community integration – the availability of reliable transport is incredibly significant with this requirement. Lastly, the Division of Substance Abuse and Mental Health will require at least the $6.4M (actual amount is likely to be higher) to continue the county mental health match rates.

In addition, Andrew also advocated for support for the restoration of adult dental and vision benefits.

Approval of Minutes

With a quorum now available Russ entertained a motion to approve the minutes of the May 19, 2016 minutes. Mark Ward moved to approve the minutes. Andrew Riggle seconded the motion. All approved. None opposed. Jackie Rendo abstained as she was not present at the May meeting.

New Rulemakings

CRAIG DEVASHRAYEE

DMHF Rules posted also online at: http:/health.utah.gov/mcac

R414-10A Transplant Services Standards (Repeal and Reenact). This amendment updates and clarifies transplantation services for Medicaid recipients. This is only a clarification of the rule and does not change services. Filed for public comment June 13, 2016, with a possible effective date of August 8, 2016.

R414-19A Coverage for Dialysis Services by a Free-Standing State-Licensed Dialysis Facility; This amendment clarifies definitions, eligibility, requirements, service coverage, and reimbursement for dialysis services performed in an end stage renal disease facility. Filed June 13, 2016, with a possible effective date of August 8, 2016.

R414-505 Participation in the Nursing Facility Non-State Government-Owned Upper Payment Limit Program; This new rule ensures agency compliance with reporting requirements found in the Code of Federal Regulations, and defines participation requirements in the Nursing Facility Non-State Government-Owned Upper Payment Limit program. Filed June 13, 2016, for public comment and has a possible effective date of August 8, 2016.

R414-513 Intergovernmental Transfers; This new rule specifies source-of-seed payment requirements for all intergovernmental Transfer, to comply with reporting requirements found in the Code of Federal Regulations. Filed June 13, 2016, with a possible effective date of August 8, 2016.

No questions were asked.

Eligibility Update

JEFF NELSON

Jeff presented a handout on the Medicaid Totals. Starting with the adults the enrollment has decreased for the first time after five executive months of growth. The reason believed is due to the economy, stating the economy is running at 3.5% unemployment rate compared to nation-wide 5%. Children and pregnant women for two months are on the decline likely due to the same reasons. People over the age of 65 and people with disabilities shows continuing growth, but the Department thinks a slower rate will be observed moving forward.

Jeff next reported on Medicaid and CHIP eligibility. Medicaid eligibility with the economy improving is behind slightly with CHIP increasing. It was reported there has been a noticeable increase from December 15, 2015, this is the first time in six months the month to month growth has fallen below 100 new enrollees. PCN numbers were reported showing enrollment declined in March, April and May, which was expected. As of May 17, 2016, parents with children on PCN were 8,574, and parents without dependents was 8,397. The 2 to 1 wavier ratio objective was discussed.

Danny Harris asked how this would affect the 4,000 moving over from PCN to the Medicaid Expansion group. Nate responded that the application would likely need to be adjusted, possibly to describe the change in expected ratio and the total number of forecasted individuals to be enrolled in PCN.

SB140 HCBS Service Options Report — TONYA HALES

Tonya updated the committee on a report that was required from language in SB140 (2016 General Session) which asked the Department to analyze long term services and supports. Specific programs were required to be reviewed, and the Department was to evaluate risks, and show the benefits of those programs and to determine if they were appropriate for the State of Utah.

Many of the options presented (Community First Choice; Money Follow the Person; etc.) allow the state to receive a higher federal match rate, either temporarily, or for continued support. The analysis showed that with those programs they may also require the state to open benefits for the entire Medicaid population, or not allow cost-controls such as enrollment caps to be used. This information was also supported by a 2015 study that was conducted for congress which concluded that the costs associated with these programs outpaced the incentives.

One of the recommendations in the final report was to hold an annual collaborative meeting with stakeholders discussing the condition of programs that DOH currently operates. In addition, there was an opportunity noted to move programs which the Division of Services for People with Disabilities (DSPD) currently operates with state-funding only and allow the Department to draw down additional Federal funds.

Danny Harris asked if that was being considered for DSPD programs, was it also being looking at for the Alternatives program which the Division of Aging and Adult Services manages. Tonya responded that this was discussed with Aging, however part of the purpose of the Alternatives program is to provide support to individuals who may not be Medicaid eligible, largely due to not meeting the financial criteria, or possibly not meeting nursing facility level of care.

Meeting adjourned 6:02 p.m.

Next meeting: Thursday, July 21, 2016, 1:30 p.m. to 3:30 p.m. Room 125, Cannon Health Building